

CITY OF ALAMEDA

Memorandum

To: Honorable Mayor and
Members of the City Council

From: Lisa Goldman
Acting City Manager

Date: February 15, 2011

Re: Hold a Public Hearing to Consider Approving Amendment #2 to the
FY10-11 Community Development Block Grant Action Plan and a
Housing and Community Development Needs Statement for the
Community Development Block Grant Annual Plan for FY11-12, and
Authorize the Acting City Manager to Negotiate and Execute Related
Documents, Agreements, and Modifications

BACKGROUND

The City of Alameda is an Entitlement recipient of Community Development Block Grant (CDBG) funds from the Federal Department of Housing and Urban Development (HUD). Each year, the City receives an entitlement allocation of approximately \$1.3 million of CDBG funding. CDBG funds finance programs and activities that benefit low- and moderate-income persons and households, and help prevent or eliminate slums and blight. To receive CDBG funding the City has to submit to HUD an Action Plan (Plan) detailing the programs, activities and resources to address the housing and community development needs identified in the 5-Year Consolidated Plan.

In May 2010, the City Council adopted the FY10-11 CDBG Action Plan (Plan). On November 16, 2010, the City Council approved an amendment to reprogram \$316,661 in unanticipated program income and other unprogrammed funds. Recently, staff has determined that unanticipated program income in the amount of \$19,000 is available for public services. CDBG regulations require that a public hearing be held to obtain public views on any amendment to the Plan.

Moreover, CDBG regulations also require that an annual public hearing be held to obtain views on current housing and community development needs relating to the Plan. This hearing provides an opportunity for input to the Plan for the coming year, FY11-12.

Alameda's FY11-12 Action Plan will identify local priorities and uses of CDBG funds to address needs in eligible categories. Eligible activities include property acquisition and rehabilitation, public facilities improvements, public services, accessibility improvements, economic development, and planning and administrative activities. At

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least 70 percent of CDBG funds must benefit low- and moderate-income residents or neighborhoods. A limited amount of funds may also be used to eliminate blight in selected areas.

All citizen participation requirements have been met for the public hearing, with publication of the public hearing notice in the January 15, 2011 Alameda Journal, as well as Chinese and Spanish-language newspapers. Provisions for non-English speaking residents and persons with disabilities were available.

DISCUSSION

Amendment #2

An additional \$19,000 of CDBG public services funds has become available for FY10-11 from program income. At its December 3, 2009 meeting, the Social Services Human Relations Board (SSHRB) recommended that any FY10-11 funds available for re-programming be used for safety net services and activities that promote collaboration among services providers. At its December 2, 2010 meeting, SSHRB supported staff's recommendation that the additional funds be programmed as follows: \$9,000 to the Family Violence Law Center (FVLC) to fund advocates to assist victims of domestic violence in Alameda, (advocates are currently funded from FVLC's general funds, but recent cuts threaten the program) and \$10,000 to Building Futures with Women and Children (BFWC) for the Midway Shelter to off-set the loss of Federal Emergency Shelter Grant funds. Both of these agencies work with domestic violence survivors and collaborate extensively to serve this population.

Details of the proposed Amendment #2 are included as Exhibit 1. The one-time funding available for re-programming is generated from unanticipated program income. Following approval of the Amended Action Plan, grant modifications will be negotiated to fulfill federal and City requirements. The form of grant modification is the same as previously approved by the City Council and the City Attorney.

Housing and Community Development Needs

As required by HUD, the Five-Year Priority Needs are developed jointly by member jurisdictions of the Alameda County HOME Consortium (Consortium). The Consortium prepared draft objectives at its December 10, 2009 meeting; these are detailed in Exhibit 2 to this report. While the Consortium provides objectives relating to housing and homelessness, jurisdictions may develop more specific objectives pertaining to non-housing community development needs.

Non-housing community development objectives identified by the City include:

- Preserving and improving public facilities and infrastructure
- Enhancing accessibility for individuals with physical disabilities
- Providing economic development and entrepreneur opportunities
- Revitalizing blighted and under-utilized buildings

- Providing public services, including safety-net, education, health, recreation, child care, and other support services

Social Services and Human Relations Board

The Social Services Human Relations Board (SSHRB) held its annual Needs Hearing on January 27, 2011. At the meeting, staff provided SSHRB an overview of the CDBG program, the Needs Hearing process, and the Board's role relating to the Needs Assessment. Several representatives from nonprofit agencies receiving CDBG funds attended and spoke at the meeting. Based on the information and public comment received, the SSHRB discussed the Needs Assessment, and prepared a letter discussing its findings on community development need, which is included as Exhibit 3. Staff recommends that the City Council approve the SSHRB's needs statement as it may be modified based on comments received at the public hearing.

Also, at the SSHRB meeting, staff informed the Board about the possibility of deep cuts of up to 25% to the City's CDBG annual funding of approximately \$1.3 million due to the federal government's efforts to reduce spending. SSHRB directed staff to make a recommendation to the City Council to adopt a resolution urging the federal government to not reduce CDBG funding for critical needs of the community. SSHRB added that any cuts to CDBG funding would adversely affect the City's and nonprofits' ability to provide essential services to needy Alamedans. Alameda's Legislative Program, to be adopted this evening, opposes any cuts in the CDBG program.

FINANCIAL IMPACT

The funds for Amendment #2 to the FY10-11 CDBG Action Plan are budgeted in the Housing Department's account for CDBG (236-6235.1-61060).

There is no financial impact from conducting a Public Hearing to determine housing and community development needs. The CDBG Entitlement allocations for FY11-12 have not been published by HUD; therefore, staff will be using last year's allocation for planning purposes.

ENVIRONMENTAL REVIEW

The execution of related agreements and final funding commitments are subject to satisfactory environmental clearance under 24 CFR Part 58.

RECOMMENDATION

Approve Amendment #2 to the FY10-11 Community Development Block Grant Action Plan and a housing and community development needs statement for the Community Development Block Grant Annual Plan for FY11-12, and authorize the Acting City Manager to negotiate and execute related documents, agreements, and modifications.

Respectfully submitted,



Michael T. Pucci
Housing Authority Executive Director

By:



Debbie Potter *by fr*
Housing Development and Programs Manager

Approved as to funds and account,



Fred Marsh
Controller

Exhibits:

1. Description, Amendment #2, FY10-11
2. Alameda County HOME Consortium FY10-15 Priority Needs
3. Social Services Human Relations Board Letter

**City of Alameda
Substantial Amendment No. 2 to
FY10-11 Action Plan for Community Development Block Grant**

The Action Plan's programs and projects and funding allocations were amended on November 16, 2010. The following Programs and Projects are an addition to the adopted Action Plan:

Family Violence Law Center (\$9,000): For a number of years the City funded domestic violence services and coordinated a Domestic Violence Task Force that included representatives from the Police Department, Alameda Hospital, and FVLC. Funding cuts and staff reductions resulted in less funding for these activities and the Task Force has been dormant for several years. In spite of these cut-backs, FVLC has continued to provide advocate services to clients who are identified based on police reports. Working in close coordination with the Police Department, FVLC receives a copy of all domestic violence-related police reports and then follows up with clients to offer on-going services. In FY09-10, FVLC handled 82 cases. FVLC has funded these activities from its unrestricted funds. However, it has seen its agency budget decline over the last few years and this program could benefit from additional CDBG funding. The re-programmed funds would be used to pay a portion of an advocate's salary. In addition, FVLC will evaluate the role of the Domestic Violence Task Force and make recommendations to the SSHRB about the most effective and efficient way to coordinate domestic violence prevention and advocacy services in Alameda.

Building Futures with Women and Children/Midway Shelter (\$10,000): BFWC operates the only shelter in Alameda. Midway Shelter serves domestic violence survivors. Shelter funding has been significantly reduced in recent years, and in October 2010, BFWC was notified that Midway Shelter was not funded through the Federal Emergency Shelter Grant (FESG) program. This was a loss of \$100,000 for the shelter for the Federal FY (October 1, 2010-September 30, 2011). Because BFWC received FESG funding for its San Leandro shelter and State domestic violence funding, it will continue to operate Midway Shelter, but could use additional funding for its resident advocates. Resident advocates allow the Shelter to provide 24-hour coverage for clients.

FY 2010-15 Community Development Block Grant Priority Needs & Objectives

Priority: Housing Needs*

- Increase the availability of affordable rental housing for extremely low (30% AMI), very-low (50% AMI), and low (80% AMI), income households.
- Preserve existing affordable rental and ownership housing for low income (up to 80% AMI) households.
- Assist low income (up to 80% AMI) first-time homebuyers.

Priority: Fair Housing Access*

- Reduce housing discrimination.

Priority: Homeless Needs*

- Maintain, improve and expand (as needed) the capacity of housing, shelter and services for homeless individuals and families including integrated healthcare, employment services and other services.
- Maintain and expand activities designed to prevent those currently housed from becoming homeless.
- Build on inter-jurisdictional cooperation to achieve housing and homeless needs.

Priority: Supportive Housing Needs*

- Increase the availability of service-enriched housing for persons with special needs.

Priority: Community Development (Non-Housing) Needs*

* These need areas are uniformly set, as required by HUD.



City of Alameda • California

January 31, 2011

To: Honorable Mayor and Members of the City Council

From: Cyndy Wasko, President
Social Service Human Relations Board

Subject: Social Service Human Relations Board Recommendations Regarding the Public Services portion of the proposed Amendment to the FY10-11 CDBG Action Plan, and Housing and Community Development Needs

The Social Service Human Relations Board (SSHRB) advises the City Council regarding social service and human relations needs in Alameda. In 1997, the Council asked the SSHRB to participate in the Community Development Block Grant (CDBG) process by reviewing and commenting on the public service needs and funding recommendations. This letter represents our input for the annual needs process, culminating in the CDBG Needs Hearing at the February 15, 2011 City Council meeting.

At our December 2, 2010 meeting we voted to support the staff report recommending \$19,000 in reprogrammed funds be distributed to Family Violence Law Center and Building Futures with Women and Children. SSHRB sees this as a positive step towards maintaining and enhancing our services to victims of Domestic Violence. At our January 27, 2011 meeting, we received input from four service providers and reviewed the comments we provided to you in 2009. We also heard a staff presentation on the CDBG process. As in years past, we are impressed with the breadth of needs that are addressed with the City's CDBG funds, but we, once again, noted with dismay that available funds are never sufficient to address all the needs of lower-income residents of our city. What is more alarming is that the staff report included information regarding the possibility of FY11-12 CDBG funds being cut 10% to 25%.

The 2006 SSHRB City of Alameda Community Needs Assessment re-affirmed the need to strengthen Alameda's safety net services. Since the economic downturn, more Alamedans are finding themselves in need of services. With a 60% increase in numbers served over the last three years, the City of Alameda Food Bank continues to serve record numbers, with 4,206 unduplicated persons in 1,697 households receiving emergency food services in the first two quarters of FY10-11. Input from other service providers demonstrates that they are also serving record numbers.

We urge the City Council to consider and follow our recommendation to support the areas of need identified below.

Primary emphasis should be placed on:

- **Preserving and strengthening Alameda's safety net** for families and individuals who are in crisis or vulnerable, through programs such as food, shelter, health and wellness services, personal safety services, and other homeless prevention services such as short term rental

more conscious and directed collaboration between agencies and service providers. Increased attention must be given to carefully orchestrated collaborations and more effective partnerships so that funds and services can be better leveraged.

- **Empowering Alamedans to improve economic and social self-sufficiency and stability** through education, youth development, job training and entrepreneurship, health and wellness services, employment and employment support services such as transportation and childcare;
- **Sustain and improve access to affordable housing in Alameda** through programs such as fair housing (including disability related housing issues); and
- **Ensuring that people with disabilities, seniors, single parents, culturally and linguistically isolated populations, and emerging cultural populations** have awareness of and access to services through increased outreach, publicity, and technologies that encourage collaboration among service providers.

With the increase in need for services not supported by increased funding, we have been forced to move from strengthening the safety net to struggling to maintain it. If the FY11-12 budget cut scenario were to become a reality, we may be forced into a position of deciding which safety net services remain, and which need to be significantly reduced or eliminated. Over the past five years, the sense of the Board has moved from concern to urgency to outrage that our safety net of services, which are so vital to the survival of low-income Alamedans, is at risk of being shredded.

In considering the reprogramming of FY11-12 Programs Income funds for Public Services, SSHRB continues to recommend these funds be used to support safety net services. In the event of a significant reduction in FY11-12 CDBG funding, SSHRB's recommendation is that available FY11-12 reprogrammed funds be used to restore cuts made in safety net services as a result of the reduction.

Sincerely,



Cyndy Wasko, President
Social Service Human Relations Board

Attachment

cc: Social Service Human Relations Board
Economic Development Director